Repsol Q2 Pad Gas and Mud Release

SITREP # 8

SPILL NUMBER: 12399904601

TIME/DATE OF SPILL: Repsol reported the incident to ADEC at 10:29 AM on February 15, 2012.

TIME/DATE OF SITUATION REPORT: 4:00 PM on February 21, 2012

TYPE/AMOUNT OF PRODUCT SPILLED: Repsol estimates that approximately 42,000 gallons (1,000 barrels) of fresh-water-based drilling mud have been released to the ice drilling pad and adjacent snow-covered tundra. An unknown amount of gas has been released. The mud that was released is a mixture of minerals (primarily barium sulfate) and water. Drilling mud is used to lubricate the drill, control formation pressure, and remove cuttings from the bore. No oil has been spilled.

INCIDENT LOCATION: Qugruk #2 pad (Q2 pad), on the Colville River Delta, approximately 18 miles northeast of Nuiqsut and approximately 150 miles southeast of Barrow (70° 27’ 19” N, 150° 44’ 52” W).

CAUSE OF SPILL: Repsol contractor Nabors Drilling was drilling an exploratory well when the drill penetrated a shallow gas pocket at a depth of 2,523 feet, resulting in a gas kick. The gas kick drove drilling mud out of the well and through the gas diverter onto the ice pad and adjacent snow-covered tundra. The gas diverter is a pipe that extends approximately 75 feet from the drilling rig toward the south edge of the pad. Additional mud was pumped into the well in an attempt to control it, but that mud was also forced out by the gas.

POTENTIAL RESPONSIBLE PARTY (PRP): Repsol E&P USA

RESPONSE ACTION: Well control response work continues at Q2 pad. Two boilers are operational and providing steam for de-icing. Portable air heaters are on-site for general heating of the drilling rig.

Thawing operations remain focused on equipment in the drill cellar that is essential to operating the well. Inspections continue on the hydraulic system as workers de-ice more of the hydraulic equipment. The gas diverter pipe and one hydraulic hose to the gas diverter valve were found to be damaged. Crews have temporary patches and clamps on-site but are waiting to repair the damage until more of the critical components are exposed by further de-icing. Crews installed a pump manifold on the drill rig floor in further preparation for pumping fluid down-hole into the drill pipe.

A 300-barrel vacuum truck is on-site recovering thawed fluids. A supersucker has been ordered to assist in the cleanout of the cellar area. Drilling mud, water, and other material ejected from the well will be trucked to Prudhoe Bay for disposal in an approved injection well.
ADNR has permitted a 200-foot-by-200-foot temporary extension to the northeast corner of the Q2 pad. This extension will be constructed of ice and will be used to stage additional equipment, such as a warm-up shack, two small man-camps, a clinic, etc.

**SOURCE CONTROL:** The well ceased flowing at about 9:00 PM on February 16. Preparations for a well-control operation are ongoing.

**RESOURCES AFFECTED:** Snow-covered tundra and ice pad. Drilling mud can affect tundra plants by changing soil pH and salinity. Brackish water produced by the well may also increase soil salinity.

**FUTURE PLANS AND RECOMMENDATIONS:** Cleanup cannot safely begin until the well is under control. The well-control team will give cleanup personnel approximately 24-hours notice in advance of completion of the well-control operation. Plans are in place for delineating and cleaning up the spill and necessary personnel crews and equipment are on standby. A reduced incident management team will continue to monitor the operation from Anchorage. Two ADEC responders remain at the forward operations base near the Q2 pad, and when cleanup operations are imminent, they will return to the Q2 pad site.

**UNIFIED COMMAND AND PERSONNEL:**
Incident Commander: Jeremy Michels, O’Brien’s Response Management
    F.O.S.C.: Matt Carr, EPA
    S.O.S.C.: Tom DeRuyter, ADEC
    L.O.S.C.: Gordon Brower, North Slope Borough
    Field SOSC: Wes Ghormley, ADEC

**WEATHER:**
**Today:** Mostly cloudy with flurries; areas of fog and blowing snow; highs 4 to 9 below; northeast winds 15 to 25 mph.
**Tonight:** Mostly cloudy with flurries; areas of fog and blowing snow; highs 18 to 23 below; northeast winds 15 mph.
**Wednesday:** Mostly cloudy with flurries; areas of fog and blowing snow; highs 11 to 17 below; east winds 10 to 20 mph.

**TIME/DATE OF THE NEXT SITUATION REPORT:** 4:00 PM on February 22, 2012

**FOR ADDITIONAL INFORMATION CONTACT:** Ty Keltner, Public Information Officer, ADEC (907) 465-5009

Photographs and other spill information will be available for viewing at:
http://www.state.ak.us/dec/spar/perp/index.htm

**AGENCY/STAKEHOLDER NOTIFICATION LIST:** This situation report was distributed to the agencies listed on the standard distribution list, which includes the governor’s office, Senator Begich’s office, the State Emergency Operations Center, and the federal agencies DOI, NMFS, and USFWS. This situation report was also distributed to the following agencies and stakeholders:
<table>
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<tr>
<th>AGENCY / STAKEHOLDER</th>
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<th>ADDITIONAL INFORMATION</th>
<th>TELEPHONE</th>
<th>FAX</th>
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<tbody>
<tr>
<td>Repsol</td>
<td>Jan Sieving</td>
<td>email</td>
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<tr>
<td>Nabors Drilling</td>
<td>Denny Smith</td>
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451-2719/  
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451-2732/  
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| ADNR Div of Oil & Gas              | Bill Barron                 | Fax       | bill.barron@alaska.gov                       |                        |            |
| ADF&G                              | Jack Winters/ Todd Nichols  | Fax       | jack.winters@alaska.gov  
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| EPA                                | Matt Carr/ Robert Whittier  | Fax       | Carr.matthew@epa.gov  
whittier.robert@epa.gov  
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| Attorney General Office            | Cam Leonard/ Steve Mulder   | Fax       | Cam.leonard@alaska.gov  
Steve.mulder@alaska.gov  
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278-7022 |            |            |
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| Senator Murkowski's Office in Fairbanks |                      | Fax       | Senator Murkowski's Office in Fairbanks  
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| North Slope Borough                | Charlotte Brower            | Fax       | Mayor  
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852-0337 |            |            |
| North Slope Borough                | Rhoda Ahmaogak              | Fax       | Planning Director  
852-0440  
852-5991 |            |            |
| Senate T/ Nome                     | Donnie Olson                | Fax       | Nome 5/16-1/09  
Juneau 1/10-5/15  
465-3707  
465-4821 |            |            |
| House 40/ Kotzebue                 | Reggie Joule                | Fax       | Kotzebue 5/16-1/09  
Juneau 1/10-5/15  
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